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# State of Montana
## BOARD OF HAIL INSURANCE
502 LAMBORN
HELENA, MONTANA

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STATE TREASURER

MAURICE W. SMITH
CHAIRMAN

December 1, 1969

Honorable Forrest H. Anderson, Governor
Capitol Building
Helena, Montana

Preliminary Report of the 1969 Operation
of the State Hail Insurance Department.

Dear Governor Anderson:

As required by Section 82-1519, R.C.M. 1947, and as a matter of information a report of the 1969 season is hereby submitted.

Significant events of the past year include resignation of William E. Smith as Chairman. Mr. Smith as Chairman of the Board complied an efficient and competent staff of field and administrative personnel. Continuity of insurance underwriting and loss adjustments were uninterrupted upon his departure from the Board.

The premium volume for the year was $826,680.32 representing an all time high. Losses for the season totaled $541,089.23. The loss ratio in terms of dollars collected to dollars paid for claims was 65% as compared to the 50 year average of 77%.

**BUSINESS SUMMARY FOR 1969**

| | |
|---|---|
| Total Risk Written | $9,300,923.81 |
| Premium Charge | 826,680.32 |
| Losses Paid | 541,089.23 |
| Policies Issued | 2,911 |
| Acres Insured | 849,007.3 |
| Average Acres Insured per Policy | 291.6 |
| Acres Reported Damaged | 97,548 |
| Losses Filed | 483 |
| Days with Hail | 61 |
| Loss Ratio | 65 % |
| Average Rate Charged | 8.9% |

## TOTAL RISK BY KINDS OF GRAIN—1969

| | |
|---|---|
| Winter Wheat | $4,958,432.10 |
| Spring Wheat | 2,387,123.00 |
| Oats | 211,845.00 |
| Flax | 14,166.00 |
| Barley | 1,648,541.71 |
| Rye | 320.00 |
| Beans | 1,800.00 |
| Speltz | 1,344.00 |
| Safflower | 11,252.00 |
| Beets | 34,800.00 |
| Corn | 5,440.00 |
| Sainfoin | 13,680.00 |
| Canary Seed | 3,240.00 |
| Mustard | 960.00 |
| Alfalfa Seed | 7,980.00 |
| | $9,300,923.81 |

## TOTAL ACRES INSURED—1969

| | |
|---|---|
| Winter Wheat | 438,295.7 |
| Spring Wheat | 216,223.1 |
| Oats | 18,642. |
| Flax | 1,257. |
| Barley | 170,742.5 |
| Rye | 32. |
| Beans | 165. |
| Speltz | 112. |
| Safflower | 1,023. |
| Beets | 800. |
| Corn | 290. |
| Sainfoin | 570. |
| Canary Seed | 270. |
| Mustard | 80. |
| Grass Seed | 505. |
| | 849,007.3 |

## LOSSES BY KIND OF GRAIN—1969

| | |
|---|---|
| Winter Wheat | $ 389,741.86 |
| Spring Wheat | 75,007.50 |
| Oats | 13,373.02 |
| Barley | 57,077.13 |
| Beans | 1,080.00 |
| Beets | 503.73 |
| Corn | 392.00 |
| Flax | 727.27 |
| Hay | 720.00 |
| Rye | 24.00 |
| Safflower | 570.72 |
| Sainfoin | 1,200.00 |
| Mustard | 672.00 |
| | $ 541,089.23 |

HAIL STORMS FOR 1969—The first reported loss was received May 2nd and originated in Chouteau County. Twenty-eight days of hail during the month of July, accounted for more than half of our losses, especially in the eastern counties. Last reported hail came from Sheridan County on September 13th.

## INVESTMENTS AND EARNINGS OF THE HAIL INSURANCE FUND

| Amount | | Interest Rate | Maturity Date | Interest Received |
|---|---|---|---|---|
| $ 350,000.00 | FLB Bonds | 4¼% | November 30, 1969 | $14,875.00 |
| 400,000.00 | FLB Bonds | 6.2 % | April 20, 1970 | 24,800.00 |
| 450,000.00 | FLB Bonds | 5⅜% | July 2, 1976 | 24,187.50 |
| $1,200,000.00 | | | | $63,862.50 |

### PAYMENTS TO COUNTIES AND STATE—1969

Section 82-1511 RCM, 1947 provides payment of 1% of gross annual levies collected in individual counties to be made to the County Treasurer and 2% to the State Treasurer. Approximate payments of $8,266.80 will be pro rated to the various counties participating in the Hail Insurance Act. Payments to the State Treasurer are anticipated at $16,533.60.

### ADJUSTMENT OF LOSSES

With 483 reported hail losses, only one required Board review. Proficiency and dedication to a job well done appeared to be the spirit of the adjusting staff in 1969. The Board would, again, like to express our appreciation for their success and we would also like to thank the participating County Treasurers and Assessors for their efforts and cooperation in providing insurance and assistance to our many policy holders.

This report is subject to minor changes, however the final data will not vary to any appreciable degree. The annual "Report to the Grain Growers" will contain the information included in this correspondence and will be disseminated to Farmers and Ranchers throughout Montana.

### 50 YEAR SUMMARY

| | |
|---|---|
| Total Risk Written | $208,354,182.96 |
| Premium Charge | 17,052,461.37 |
| Losses Paid | 13,191,987.78 |
| Policies Issued | 95,661. |
| Total Acres Insured | 19,655,513. |
| Average Acres Per Policy | 205.47 |
| Loss Ratio | 77.0% |
| Number of Losses Paid | 20,345. |

## DETAIL STATEMENT—RISK, LEVY, LOSSES, LOSS RATIOS

| County | 1969 Risk | 1969 Levy | 1969 Losses | Risk vs. Loss Ratio | Levy vs. Loss Ratio |
|---|---|---|---|---|---|
| Big Horn | $ 304,402.00 | $ 31,866.40 | $ 93,501.29 | 31.0% | 293.4% |
| Blaine | 363,569.00 | 38,477.56 | 7,948.52 | 2.0 | 20.6 |
| Carter | 18,705.00 | 1,893.74 | 3,057.80 | 16.0 | 161.4 |
| Cascade | 22,051.00 | 1,611.79 | 387.49 | 2.0 | 24.0 |
| Chouteau | 774,468.90 | 57,356.56 | 577.42 | .... | 1.0 |
| Daniels | 385,279.00 | 30,955.63 | 4,139.90 | 1.0 | 13.3 |
| Dawson | 297,646.28 | 29,904.62 | 42,570.31 | 14.0 | 142.3 |
| Fallon | 337,194.00 | 33,691.78 | 62,208.28 | 18.0 | 184.6 |
| Fergus | 400,381.46 | 36,944.33 | 21,227.86 | 5.0 | 57.4 |
| Gallatin | 2,440.00 | 210.82 | | .... | .... |
| Garfield | 130,697.00 | 11,912.36 | 15,843.36 | 12.0 | 133.0 |
| Glacier | 125,763.00 | 9,175.24 | 728.00 | .... | 7.9 |
| Golden Valley | 62,946.00 | 6,107.10 | ..... | .... | .... |
| Hill | 462,370.00 | 37,735.31 | 13,219.92 | 3.0 | 35.0 |
| Judith Basin | 336,295.00 | 30,089.46 | 47,649.39 | 14.0 | 158.3 |
| Lewis & Clark | 1,000.00 | 60.00 | ..... | .... | .... |
| Liberty | 661,353.20 | 55,782.77 | 6,135.41 | .... | 10.9 |
| McCone | 1,019,005.92 | 103,170.91 | 32,637.94 | 3.0 | 31.6 |
| Musselshell | 4,140.00 | 538.20 | ..... | .... | .... |
| Petroleum | 1,704.00 | 136.32 | ..... | .... | .... |
| Phillips | 175,379.82 | 14,876.62 | 1,645.61 | .... | 11.0 |
| Pondera | 162,380.00 | 10,950.90 | 4,972.57 | 3.0 | 45.0 |
| Powder River | 144,206.00 | 14,455.77 | 4,766.63 | 3.0 | 32.9 |
| Prairie | 165,110.52 | 15,548.83 | 55,727.87 | 34.0 | 358.4 |
| Richland | 707,080.70 | 71,593.04 | 52,151.30 | 7.0 | 72.8 |
| Roosevelt | 223,466.20 | 17,646.01 | 5,660.16 | 3.0 | 32.0 |
| Sheridan | 849,704.00 | 67,826.37 | 49,547.33 | 9.0 | 73.0 |
| Stillwater | 49,392.00 | 4,316.88 | ..... | .... | .... |
| Teton | 387,866.00 | 24,741.69 | 6,093.01 | 2.0 | 24.6 |
| Toole | 381,558.17 | 32,945.69 | ..... | .... | .... |
| Treasure | 18,822.00 | 1,475.23 | 70.35 | .... | 5.0 |
| Valley | 277,902.04 | 28,194.84 | 837.15 | .... | 3.0 |
| Wheatland | 7,588.00 | 786.19 | 304.20 | 4.0 | 38.6 |
| Wibaux | 20,962.00 | 1,886.55 | 2,503.76 | 11.0 | 132.7 |
| Yellowstone | 18,095.60 | 1,814.81 | 4,976.40 | 28.0 | 274.2 |
| | $9,300,923.81 | $826,680.32 | $541,089.23 | 5.8% | 65.0% |

Respectfully Submitted,

MAURICE W. SMITH
Chairman